

Message Text

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PAGE 01 MTN GE 02263 01 OF 04 241912Z
ACTION STR-04

INFO OCT-01 STRE-00 ISO-00 IO-13 AF-08 ARA-06 EA-07
EUR-12 NEA-10 OIC-02 FEA-01 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 EB-08 FRB-03 H-01 INR-07
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05
SS-15 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01
/133 W

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P R 241825Z MAR 77
FM USDEL MTN GENEVA
TO SECSTATE WASHDC PRIORITY 2353
INFO USMISSION EC BRUSSELS
AMEMBASSY TOKYO

LIMITED OFFICIAL USE SECTION 1 OF 4 MTN GENEVA 2263

ACTION STR FOR MATTHEISEN

E.O. 11652: N/A
TAGS: ETRD, MTN
SUBJ: U.S. PAPERS FOR MAY MEETING OF MTN SAFEGUARDS GROUP

REF: MTN GENEVA 1224

1. MTN DEL OFFERS FOLLOWING SUGGESTIONS ON CONTENT OF
POSSIBLE PAPERS FOR TABLING BY U.S. PRIOR TO OR AT NEXT
MEETING OF SAFEGUARDS WEEK OF MAY 2, PER SCENARIO OF TPSC
77-11. WE ASSUME (A) SUBJECTS TO BE DISCUSSED AT THAT
MEETING WILL BE FIRST THREE OF SIX TOPICS IDENTIFIED
BY CHAIRMAN IN SUMMING-UP OF LAST MEETING (REFTEL) AND
(B) THAT ANY U.S. PAPERS TO BE TABLED SHOULD CONTAIN
FURTHER CONCRETE REFINEMENTS OR CLARIFICATIONS OF
JULY 1976 U.S. CONCEPTS PAPER, SUITABLE FOR EVENTUAL
INCORPORATION INTO A BASIC NEGOTIATING DOCUMENT.

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PAGE 02 MTN GE 02263 01 OF 04 241912Z

2. TOPIC 1: "CRITERIA, CONDITIONS, RETALIATION,
COMPENSATION AND ADJUSTMENT ASSISTANCE." WE BELIEVE
A U.S. PAPER, IF ANY, SHOULD BE LIMITED TO THE
RETALIATION/COMPENSATION ISSUE, LEAVING OTHER ITEMS IN
THIS TOPIC FOR OTHER DELS. IT REMAINS TO OUR ADVANTAGE
TO SEE WHAT JAPAN AND EC INTER ALIA WILL PUT OUT ON
"CRITERIA" BEFORE COMMITTING OURSELVES, AND IT MAY GIVE US

SOME BARGAINING LEVERAGE ON DOMESTIC PROCEDURES. IF WE WERE TO BE MORE SPECIFIC AT THIS STAGE ON "CONDITIONS" (INCLUDING ADJUSTMENT ASSISTANCE) WE WOULD MORE OR LESS HAVE TO PARROT THE TRADE ACT, WHICH RUNS RISK OF LOCKING US INTO AN INFLEXIBLE POSITION AT AN EARLY STAGE.

3. 3. IT COULD BE TO OUR TACTICAL AND NEGOTIATING ADVANTAGE, HOWEVER, TO TABLE A SHORT, MORE SPECIFIC EXPLANATION OF WHAT U.S. HAS PROPOSED ON RETALIATION/COMPENSATION, PRESENTED AS AN ELABORATION OF ARTICLE XIX RATHER THAN A DEPARTURE FROM IT. SUCH A PAPER COULD BE BASED ON FOLLOWING POINTS:

(A) U.S. NOT RPT NOT PROPOSING TO SCRAP RETALIATION, BUT WOULD CLOSELY DEFINE CIRCUMSTANCES IN WHICH IT IS OR IS NOT APPROPRIATE.

(B) BASIC DISCIPLINARY FUNCTION OF A CP'S RIGHT TO RETALIATE TO PREVENT (IN JAPAN'S WORDS) "THE ABUSIVE APPLICATION OF SAFEGUARDS" WOULD BE PRESERVED, EVEN STRENGTHENED, BY LINKING IT TO A CLEARER SET OF GUIDELINES. HOWEVER, RETALIATION AGAINST "ALLOWABLE" SAFEGUARD ACTIONS -- AS JUDGED AGAINST MORE DETAILED GUIDELINES -- WOULD BE IMPROPER. (FOR DEBATING PURPOSES, WE COULD ARGUE THAT THE CONCEPT OF "ALLOWABLE" SAFEGUARD ACTIONS, THOSE WHICH CAN BE ACCEPTED WITHOUT TEMPORARY REDRESS TO EXPORTERS, IS REFLECTED IN THE HISTORY OF ARTICLE XIX ACTIONS, WHERE -- SO -- ONLY FIVE OF THE EIGHTY OR SO LIMITED OFFICIAL USE

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PAGE 03 MTN GE 02263 01 OF 04 241912Z

ACTIONS ON RECORD HAVE INVOLVED RETALIATION, AND ONLY ANOTHER 10-15 INVOLVED COMPENSATION PRESUMABLY UNDER THE "THREAT" OF RETALIATION; THE REMAINDER WERE SUFFICIENTLY "ALLOWABLE" AS NOT TO WARRANT RETALIATION.)

(C) IN EFFECT, U.S. APPROACH WOULD GIVE SOME PRE-DEFINED CONTRACTUAL MEANING TO THE PHRASE "AGREEMENT AMONG THE INTERESTED CONTRACTING PARTIES WITH RESPECT TO THE ACTION" IN ARTICLE XIX:3(A). IT WOULD REPRESENT A DEGREE OF ADVANCE AGREEMENT AMONG PARTIES ON THOSE ACTIONS WHICH MIGHT BE TAKEN AND WOULD OFFER A CONTINUING BASIS FOR GOVERNMENTS TO ESTIMATE BEFOREHAND WHAT WILL BE LEGITIMATE AND WHAT WILL BE BEYOND THE PALE. UP TO NOW UNDER XIX, THIS KIND OF "AGREEMENT" ON "THE ACTION" HAS BEEN ENTIRELY EX POST AND CASE-BY-CASE.

(D) WHERE (IN WORDS OF ARTICLE XIX), "AGREEMENT...IS NOT REACHED" -- I.E., AN ACTION IS DETERMINED NOT TO CONFORM TO PREDETERMINED REQUIREMENTS IN A SAFEGUARDS

CODE -- RETALIATION WOULD REMAIN AVAILABLE, THUS PRE-SERVING DETERRENCE TO WOULD-BE ABUSERS OF THE SAFEGUARD RULES. IN FACT, RETALIATION IN THOSE CASES WHERE THE NEWLY AGREED RULES ARE CLEARLY ABUSED MIGHT BE ALLOWED TO EXCEED SIGNIFICANTLY THE "SUBSTANTIALLY EQUIVALENT" STANDARD PRESENTLY IN XIX, AND NOT BE SUBJECT TO THE "NEGATIVE VETO" OF CP'S (ALSO NOW IN XIX).

(E) IN THE LIGHT OF NEW, MORE SPECIFIC RULES, PROVISION FOR IMMEDIATE INTERIM RETALIATION BY THE EXPORTER WHEN A SAFEGUARD ACTION IS TAKEN IN FLAGRANT VIOLATION OF THE AGREED RULES (PROTOTYPE OF THIS NOW FOUND IN XIX:3(B)) COULD BE CONSIDERED, BOT TO STRENGTHEN INCENTIVE NOT TO DEPART FROM AGREED RULES AND TO ENCOURAGE EXPEDITIOUS EXAMINATION AND RESOLUTION OF BORDERLINE CASES. (COMMENT: THIS FEATURE WAS ANTICIPATED IN TPSC 76-5 LAST YEAR.)
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PAGE 04 MTN GE 02263 01 OF 04 241912Z

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PAGE 01 MTN GE 02263 02 OF 04 241935Z

ACTION STR-04

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FM USDEL MTN GENEVA

TO SECSTATE WASHDC PRIORITY 2354

INFO USMISSION EC BRUSSELS

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LIMITED OFFICIAL USE SECTION 2 OF 4 MTN GENEVA 2263

ACTION STR FOR MATTHEISEN

(F) ARGUMENT THAT EITHER RETALIATION OR COMPENSATION STILL NEEDED TO "RESTORE THE BALANCE OF CONCESSIONS" WOULD BE SEVERLY WEAKENED BY AGREEMENT ON NEW RULES WHICH SPECIFY TEMPORARINESS AND "MINIMUM NECESSARY" SEVERITY OF SAFEGUARD MEASURES.

4. COMMENT: WE DO NOT FEEL STRONGLY THAT A PAPER OF THE KIND JUST DESCRIBED MUST BE TABLED-- SIMILAR POINTS COULD BE MADE IN ORAL PRESENTATION -- BUT ON BALANCE WE HAVE A PREFERENCE FOR PUTTING THE POINTS IN WRITING, SINCE ONE MAJOR OBJECTION RAISED BY SOME KEY DELS TO 1976 U.S. CONCEPTS PAPER WAS THE PUTATIVE WEAKENING OF THE RETALIATION CONCEPT. A WRITTEN CLARIFICATION MIGHT HELP TO SHARPEN THE ARGUMENTS AND WOULD BE HARDER TO DISMISS WITH SIMPLISTIC ENDORSEMENTS OF STATUS QUO.

5. ONLY OTHER DEL CURRENTLY PLANNING TO ENTER A PAPER LIMITED OFFICIAL USE

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PAGE 02 MTN GE 02263 02 OF 04 241935Z

UNDER TOPIC 1 IS JAPAN, WHICH HOPES TO ELABORATE ON THE "ELEMENTS OF INJURY" CHECKLIST IDEA THAT NUMBER OF DELEGATIONS HAVE FAVORED IN PAST DISCUSSIONS. JAPANESE DEL ALSO ADVISES IT WILL ADDRESS QUESTION, RAISED BY U.S., OF HOW CHECKLISTS BORROWED FROM OTHER AGREEMENTS HAVING DIFFERENT STANDARDS OF INJURY (E.G., ANTIDUMPING CODE OR MFA) WOULD NEED TO BE ADAPTED TO CONFORM TO THE ARTICLE XIX "SERIOUS INJURY" STANDARD. EC DEL ADVISES IT CONTENT TO LET JAPAN MAKE THE RUNNING ON THIS TOPIC AND WILL CONCENTRATE ITS OWN EFFORTS ON TOPIC 2 (SEE BELOW). IT IS POSSIBLE, ALTHOUGH UNLIKELY, THAT ONE OR MORE LDC'S WILL ENTER PAPERS SPECIFICALLY ON ADJUSTMENT ASSISTANCE AND/OR COMPENSATION -- IF WASHINGTON HAS ANY ADDITIONAL THOUGHTS ON THESE TOPICS THEY SHOULD BE INCLUDED IN GUIDANCE FOR MAY MEETING.

6. TOPIC 2: "TYPES OF MEASURES AND MODALITIES OF APPLICATION." HERE U.S. COULD USEFULLY SUBMIT PAPER WHICH RECAPS AND ELABORATES ON SEVERAL POINTS MADE IN ORAL STATEMENTS TO LAST TWO MEETINGS OF GROUP SAFEGUARDS. POINTS WHICH COULD BE COVERED INCLUDE THE FOLLOWING:

(A) U.S. DEFINES TYPES OF MEASURES IN TERMS OF PURPOSE SERVED, AND NOT A PRE-SPECIFIED LIST (POINT 1 OF U.S. PROPOSAL). NOTE THIS DEFINITION EXCLUDES APPLICATION TO MEASURES SUSTAINING DOMESTIC PRICE SUPPORT PROGRAMS (TRANSLATION: EC VARIABLE LEVIES AND U.S. SECTION 22 QUOTAS NOT COVERED) BUT DOES NOT EXCLUDE APPLICATION TO DISCRETE, TEMPORARY SAFEGUARD ACTIONS ON

PARTICULAR PRODUCTS (TRANSLATION: EC ACTIONS UNDER THE SPECIFIC SAFEGUARD CLAUSES IN VARIOUS CAP'S WOULD BE COVERED, HOWEVER).

(B) INCLUSION OF NEGOTIATED "VOLUNTARY" EXPORT RESTRAINTS IS ESSENTIAL BUT MIGHT REQUIRE SOME ADAPTATION LIMITED OFFICIAL USE

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PAGE 03 MTN GE 02263 02 OF 04 241935Z

OF STANDARD GUIDELINES IN SYSTEM. ADEQUATE NOTIFICATION, CONSULTATION, VERIFICATION OF THREAT OF SERIOUS INJURY, ACCOMMODATION OF AFFECTED THIRD COUNTRY INTERESTS, CONTINUING SURVEILLANCE, PHASE OUT, ETC., WOULD ALL STILL NEED TO BE PROVIDED FOR, AS WOULD SOME DOMESTIC PROCEDURAL SAFEGUARDS. NOTE THAT NEGOTIATED EXPORT RESTRAINTS ARE NOT NECESSARILY DISCRIMINATORY; OUR REQUIREMENT THAT THEY BE INCLUDED DOES NOT REFLECT HIDDEN JUDGMENT IN FAVOR OF SELECTIVITY, JUST RECOGNITION THAT SUCH MEASURES HAVE PLAYED MAJOR ROLE IN HISTORY OF NON-XIX SAFEGUARD ACTIONS, COUNTRIES WILL PROBABLY CONTINUE TO RESORT TO THEM, AND TO LEAVE THEM OUT OF NEW SAFEGUARD STRUCTURE WOULD SIMPLY INVITE ITS BREAKDOWN. (FYI: PENDING SOME ACTUAL PROGRESS ON THIS SUBJECT IN PRIVATE BILATERALS AND TRILATERALS WITH JAPAN AND EC, WE WOULD NEED TO BE VERY CAREFUL TO STAY AT HIGH LEVEL OF GENERALITY IN WRITTEN STATEMENTS IN ORDER NOT TO FORCE JAPANESE TO TAKE HARDER-LINE PUBLIC POSITION THAN THEY HAVE DONE TO DATE. NEVERTHELESS WE BELIEVE IT IMPORTANT TO REITERATE NEED TO FOLD THIS APPROACH INTO THE SAFEGUARDS WORK AND THAT U.S. IS PREPARED TO TAKE A REALISTIC POSITION. END FYI.)

(C) ROLE OF MINIMUM IMPORT PRICES IN SAFEGUARD CONTEXT NEEDS EXAMINATION, SINCE IN SOME CIRCUMSTANCES THESE CAN BE EXCESSIVELY PROTECTIVE (EMBARGO-LIKE), DENYING EVEN MOST EFFICIENT FOREIGN EXPORTERS PRICE-COMPETITIVE EDGE NEEDED TO MAKE EVEN MINIMAL PENETRATION INTO PROTECTED MARKETS. SAME IS NOT TRUE FOR QUANTITATIVE LIMITATIONS OR TARIFF-TYPE LIMITATIONS (UNLESS LATTER ESTABLISHED AT PROHIBITIVE LEVELS), SINCE COMPETITIVE EXPORTERS CAN STILL MAKE SOME SALES. (COMMENT: PERHAPS THERE ARE OTHER POINTS TO BE MADE ABOUT MIP'S -- WE UNDERSTAND WASHINGTON IS RESOLVING ITS VIEWS ON USE OF THIS TYPE MEASURE FOR SAFEGUARD PURPOSES. IF SERIOUS QUESTIONS ARE RAISED, NOW IS THE TIME TO PUT THEM IN WRITING. END COMMENT.) LIMITED OFFICIAL USE

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PAGE 04 MTN GE 02263 02 OF 04 241935Z

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PAGE 01 MTN GE 02263 03 OF 04 242001Z
ACTION STR-04

INFO OCT-01 STRE-00 IO-13 ISO-00 AF-08 ARA-06 EA-07
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LIMITED OFFICIAL USE SECTION 3 OF 4 MTN GENEVA 2263

ACTION STR FOR MATTHEISEN

(D) USE OF "AUTOMATIC" LICENSING FOR SAFEGUARD
SURVEILLANCE PURPOSES COULD BE CITED AS A MEASURE
NEEDING TREATMENT IN SAFEGUARDS CODE, OR AT LEAST
EXAMINATION BY SAFEGUARDS GROUP. IN CASE OF EC,
FOR EXAMPLE, DECISION TO PUT ITEM UNDER "SURVEILLANCE"
IS SPECIFICALLY DEFINED IN EC REGS AS APPROPRIATE WHEN
THERE IS "THREAT OF INJURY." (COMMENT: SINCE U.S.
HAS MADE SO LITTLE HEADWAY IN HAVING QR SUBGROUP DEAL
WITH SAFEGUARD ASPECTS OF AUTOMATIC LICENSING, RAISING
SUBJECT DIRECTLY IN SAFEGUARDS GROUP MIGHT BE WORTH
A TRY.)

(E) INTERPROFESSIONAL (NON-GOVERNMENTAL) AGREEMENTS
REMAIN QUITE TROUBLING TO US. EXAMINATION AND RESOLUTION
OF APPROPRIATE HANDLING SUCH MEASURES NEEDED IN COURSE
OF SAFEGUARDS WORK. FOURTH 'SUPPLEMENTARY OBLIGATION'
IN U.S. PROPOSAL CALLS ON GOVERNMENTS TO DISCOURAGE
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PAGE 02 MTN GE 02263 03 OF 04 242001Z

ENTERPRISES FROM ENTERING INTO SAFEGUARD ARRANGEMENTS AT THE NON-GOVERNMENTAL LEVEL, AND WE SUGGESTED AT LAST MEETING A POSSIBLE STARTING POINT FROM EXISTING GATT OBLIGATIONS FOR EXAMINING THIS IDEA. (RECAP OF TPSC 77-11 PRESENTATION ON ARTICLE XVII TO LAST SAFEGUARD GROUP MEETING WOULD BE APPROPRIATE HERE.)

7. COMMENT: AGAIN, POINTS SUGGESTED ABOVE COULD BE MADE ORALLY BUT WE THINK A U.S. PAPER WOULD BE MORE APPROPRIATE. OTHERWISE, ONLY WRITTEN FOCUS FOR DISCUSSION OF TOPIC 2 LIKELY TO BE PAPER EC IS NOW DEVELOPING ON SELECTIVE APPLICATION OF SAFEGUARDS. ABBOTT ADVISES HE PLANS CONTRIBUTION TAKING OFF FROM PREVIOUS EC COMMENTS. TO WIT: IN DE FACTO TERMS, SELECTIVITY NOT ALL THAT GREAT A DEPARTURE FROM FREQUENT ARTICLE XIX PRACTICE (WOULD CITE EXAMPLES OF PRICE BREAKS, EX-OUTS, CHOICE OF BASE PERIODS, ETC.); IN A BETTER SYSTEM THERE SHOULD BE SOME LIMITED SCOPE FOR APPLICATION OF MEASURES CONFINED TO SOURCE OF REAL PROBLEMS; AND SUCH SELECTIVE SAFEGUARDS COULD BE PROPERLY CONTROLLED AND COUNTERBALANCED BY APPROPRIATE SURVEILLANCE MECHANISM. PRESEUMABLY EC PAPER WILL BE IN CONCRETE FORM OF A QUASI-PROPOSAL; IT WILL PROBABLY BE ONLY WRITTEN EC CONTRIBUTION FOR UP-COMING MEETING.

8. TOPIC 3: "DOMESTIC PROCEDURES." GIVEN DOUBTS OF OTHER DELS, U.S. PAPER ON THIS POINT WILL BE ESSENTIAL, AND WE UNDERSTAND WORK IS WELL UNDERWAY IN WASHINGTON. WE SUGGEST THAT PAPER ADDRESS AT LEAST THE FOLLOWING POINTS, SEVERAL OF WHICH HAVE BEEN MADE ORALLY IN COURSE OF LAST THREE SAFEGUARD MEETINGS:

(A) IT IS NO GREAT LEAP TO INCLUDE PROVISIONS ON PUBLIC DOMESTIC PROCEDURES IN AN INTERNATIONAL AGREEMENT, ESPECIALLY ONE SETTING UP COMMON INTERNATIONAL STANDARDS FOR TAKING DOMESTIC ACTIONS. THERE IS PRECEDENT IN LIMITED OFFICIAL USE

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PAGE 03 MTN GE 02263 03 OF 04 242001Z

GATT (ARTICLE X AND SOME OTHERS), IN EXISTING AGREEMENTS (ANTIDUMPING CODE AND POSSIBLY SOME OTHERS), AND IN OTHER CURRENT MTN NEGOTIATING EFFORTS (CANADIAN SUBSIDY-COUNTERVAIL PROPOSAL, POSSIBLY OTHERS).

(B) ADHERENTS TO IMPROVED SAFEGUARD RULES HAVE THE RIGHT TO SOME INSTITUTIONAL ASSURANCE THAT THE NORMS AND STANDARDS CREATED IN THE INTERNATIONAL AGREEMENT ARE TIED INTO THE NATIONAL DECISION-MAKING PROCEDURES SURROUNDING A SAFEGUARD ACTION. E.G., IF INTERNATIONAL 'CHECKLIST' OF UNJURY ELEMENTS IS IMPORTANT TO SOME

PARTICIPANTS, WE MUST BE PERSUADED THAT SUCH CHECKLIST
WILL IN FACT MAKE A DIFFERENCE TO DOMESTIC DECISION
PROCESS ON SAFEGUARD ACTIONS. WITHOUT ARTICULATED
DOMESTIC PROCEDURES DISPLAYING TRANSPARENCY, RIGHTS
OF PARTICIPATION, AND ACCOUNTABILITY FOR DECISIONS,
CREATION OF INJURY CHECKLIST WOULD SIMPLY OFFER BROADER
BASIS FOR EX POST INTERNATIONAL JUSTIFICATION OF
ACTIONS WHICH WOULD HAVE BEEN TAKEN ANYWAY IN RESPONSE
TO DOMESTIC PRESSURES.

(C) ELEMENTS PROPOSED IN POINT 4 OF U.S. 1976 CONCEPTS
PAPER SEEM TO US TO BE MINIMUM ESSENTIAL STRUCTURE ON
THE DOMESTIC SIDE (NOTE THAT SOME OTHER PARTICIPANTS
ALREADY HAVE SIMILAR PROCEDURES). WE DON'T BELIEVE OPEN
HEARINGS AND PUBLISHED REPORTS ARE LKELY TO WORSEN
POTENTIAL SAFEGUARD PROBLEMS IN ANY SIGNIFICANT WAY,
SINCE IN ANY GIVEN CASE, FACT THAT SAFEGUARD ACTION IS
UNDER CONSIDERATION IS RARELY AN UNKNOWN MATTER TO THE
AFFECTED PARTIES. WE RECOGNIZE SOME PRESENTATIONS AND
EVALUATIONS NEED TO BE MADE IN CONFIDENCE, BUT NO SO AS
TO DEPRIVE IMPORTING AND EXPORTING INTERESTS OF
OPPORTUNITY TO MAKE THEIR CASE TO DECISION-MAKING
AUTHORITIES, NOR TO FRUSTRATE SUBSEQUENT PUBLIC AND
INTERNATIONAL UNDERSTANDING OF THE COMPELLING FACTORS
WHICH REQUIRED ACTION.

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PAGE 04 MTN GE 02263 03 OF 04 242001Z

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PAGE 01 MTN GE 02263 04 OF 04 242016Z

ACTION STR-04

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TO SECSTATE WASHDC PRIORITY 2356
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LIMITED OFFICIAL USE SECTION 4 OF 4 MTN GENEVA 2263

ACTION STR FOR MATTHEISEN

(D) ESTABLISHMENT OF FORMAL PUBLIC DOMESTIC PROCEDURES
WOULD BE IMPORTANT GUARANTEE FOR DEVELOPING COUNTRIES
IN PARTICULAR OF OPPORTUNITY TO PRESENT THEIR CASE IN
TIME AND IN APPROPRIATE FRAMEWORK FOR THEIR INTERESTS
TO BE FACTORED INTO DECISION.

(E) U.S. NOT IRRETRIEVABLY WEDDED TO ELEMENTS OF
POINT 4 OF ITS JULY 1976 PAPER AND WOULD BE WILLING TO
EXAMINE POSSIBLE ALTERNATIVES WHICH STILL PROVIDE THE
NECESSARY TRANSPARENCY, EQUITY, ETC. (COMMENT: IF WE ARE
NOW PREPARED TO HINT AT FLEXIBILITY, WE SHOULD PROBABLY
DO SO AS LONG AS WE CAN CLEARLY CONVEY OUR MINIMUM
REQUIREMENTS ON THIS POINT. MANY DELEGATIONS STILL
BELIEVE U.S. NOT QUITE SERIOUS ON DOMESTIC PROCEDURES
PROPOSAL, OR INTERPRET IT AS CALL FOR WORLD WIDE ITC
REPLICATION WHICH THEY FIND UNREASONABLE. END COMMENT.)

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PAGE 02 MTN GE 02263 04 OF 04 242016Z

8. IN RELATED DEVELOPMENT, AUSTRALIAN GOVERNMENT HAS
RECENTLY ANNOUNCED INTENTION TO AMEND ITS OWN DOMESTIC
PROCEDURES TO CONFORM MORE CLOSELY WITH ARTICLE XIX NAD
WE COULD CITE THIS AS COMMENDABLE EXAMPLE FOR OTHER
GOVERNMENTS. (MTN DEL FORWARDING BY AIRGRAM TEXT OF
LONG PRESS RELEASE DESCRIBING THIS ACTION, WITH COPY TO
BE HAND-CARRIED TO MATTHEISEN, STR, VIA FIRST RETURNING
TRAVELER SUBSEQUENT TO THIS MESSAGE.)

9. MTN DEL HAS POLLED SOME OTHERS REGARDING THEIR
INTENTIONS FOR MAY MEETING. IN ADDITION TO EC AND JAPAN
(REPORTED ABOVE) WE HAVE RECENTLY TALKED TO NORDICS,
CANADIANS, AND AUSTRALIANS, NONE OF WHOM ARE YET READY TO
COMMIT THEMSELVES TO TABLE ANYTHING. NORDICS, HOWEVER,
INDICATED THAT DETAILED POSITION PAPER EXERCISE UNDERWAY
IN NORDIC CAPITALS NOW DEVELOPING DETAILED COMMON LINE ON
ALL MAJOR POINTS. AUSTRALIANS UNCERTAIN WHETHER THEY
WILL HAVE PAPER(S) TO TABLE IN MAY BUT, IN VIEW OF
ANNOUNCEMENT NOTED PARA 8 ABOVE, ARE NOT FORECLOSING
POSSIBILITY OF "SOMETHING" ON DOMESTIC PROCEDURES.

10. AS WE EXPECT REMAINING THREE TOPICS AGREED AT LAST

MEETING TO BE TAKEN UP SUBSEQUENT TO MAY MEETING, WE WILL
OFFER SUGGESTIONS REGARDING POSSIBLE U.S. PAPERS FOR THOSE
TOPICS AT A LATER TIME.CULBERT

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